

CITY OF HANCOCK COUNCIL MEETING MINUTES  
WEDNESDAY, JUNE 19, 2024  
HANCOCK CITY HALL, 399 QUINCY STREET  
Public viewing available via ZOOM Meeting ID: 821 4402 1682

**Public Hearing: Sale of Spruce Haven Lot 20**

No Public Comments

**Public Hearing: FY 2024/2025 Budget**

No Public Comments

**Regular Meeting - 6:01 P.M.**

Call to order and pledge of allegiance led by mayor Kurt Rickard

Roll Call and verification of quorum

Present: Councilors McKenzie, Freeman, Rickard, Tanner, Lounibos, Warstler

Absent: Councilor Blau

Motion by Councilor McKenize and supported by Councilor Freeman to excuse Councilor Blau from tonight's meeting.

Yes: All

No: None

Motion Carried

**Public Comment**

- Annette Tchida, resident of Hancock and co-owner of the property at 1420 Jasberg, commented on the code violation correspondence of this property, see attached statement provided.
- Brad Aldrich, a property owner in Hancock, commented on code violations and zoning ordinances related to recreational vehicles and if the ordinance aligns with the City goals.

**Review and Approval of agenda**

Motion by Councilor Warstler and supported by Councilor Tanner to approve the agenda with the addition of New Business item # 17 a Closed session Pursuant to Open Meetings Act MCL 15.268 for personnel evaluation discussion and #18 Consider approval of City Manger's overall rating evaluation and approve recommended contract.

Yes: All

No: None

Motion Carried

**Communication**

SEMCO – Notice of Hearing May 29, 2024

SEMCO - Notice of Hearing June 11, 2024

Copper Shores Puppy Parade Thank You.

Bridgefest Committee City of Hancock 2024 Partner Level Sponsor

Waste Management Notice of Non-Renewal of Contract

Motion by Councilor McKenzie and supported by Councilor Warstler to place on file the communications as presented.

Yes: All  
No: None  
Motion Carried

**Review and acceptance of meeting minutes**

Planning Commission	March 25, 2024
Planning Commission	March 27, 2024
Planning Commission	April 22, 2024
Recreation Commission	March 12, 2024
Portage Lake Water and Sewer Authority	April 9, 2024
Portage Lake Water and Sewer Authority	May 21, 2024
Downtown Development Authority	May 6, 2024
Local Development Finance Authority	April 24, 2024

Motion by Councilor Warstler and supported by Councilor Lounibos to accept and place on file the meeting minutes as presented.

Yes: All  
No: None  
Motion Carried

**Review and approval of City Council meeting minutes**

Regular Meeting	May 15, 2024
Budget Work Session	May 15, 2024
Budget Work Session	June 12, 2024

Motion by Councilor McKenzie and supported by Councilor Tanner to approve and place on file the meeting minutes of the City Council Regular Meeting of May 15, 2024, Budget Work Session Meeting of May 15, 2024 and Budget Work Session of June 12, 2024.

Yes: All  
No: None  
Motion Carried

**Administrative Reports**

City Manager, Babcock, gave updates on the following:

- MEDC Developers Event
- Finlandia Properties
- Bridgefest
- Dave Dow, Code Enforcement Officer, completed the MSU Extension City Planner course.
- Arena summer ice rental
- Canal Rock
- Farmers Market
- FEMA 2018 funding - Representative Markkanen and Senator McBroom are working on getting the funding released.
- Murals and Hopscotch Art on Quincy Street
- Planning Commission public hearing Monday, June 24<sup>th</sup> for a zoning amendment.

Police Chief, Sleeman, gave updates on the following:

- New officer, Ben Galletto started training.
- Bear complaints, DNR is aware of the issue.
- New state mandatory police CPE training.

DPW Director, Erickson, gave updates on the following:

- Street sweeping will continue through the month.
- DWAM grant work to continue.

Clerk/Treasurer, Kalinec, gave updates on the following:

- L-4029s have been received from all taxing authorities. Property taxes will go out in the next week.
- Attended mandatory election training yesterday with the State of Michigan.

### New Business

1. Motion by Councilor Tanner and supported by Councilor Freeman to approve the current accounts payable in the amount of \$670,308.68.

Roll Call

Yes: Warstler, Lounibos, Tanner, Rickard, Freeman, McKenzie

No: None

Motion Carried

2. Motion by Councilor Warstler and supported by Councilor Tanner to approve the purchase agreement for Spruce Haven Estates Lot 20 with Joshua and Kiara Larson in the amount of \$20,000.

Roll Call

Yes: McKezie, Freeman, Rickard, Tanner, Lounibos, Warstler

No: None

Motion Carried

3. Motion by Councilor Lounibos and supported by Councilor McKenzie to approve the Master Plan Update as recommended by the Planning Commission at their April 22, 2024 meeting.

Motion by Councilor Warstler and supported by Councilor Tanner to table the motion and schedule a work session to discuss suggested updates to the master plan.

Yes: All

No: None

Motion Carried

4. Motion by Councilor Tanner and supported by Councilor McKenzie to approve the LDFA amended budget for July 1, 2023 to June 30, 2024 as presented.

Yes: All

No: None

Motion Carried

5. Motion by Councilor Warstler and supported by Councilor Tanner to approve the LDFA July 1, 2024 to June 30, 2025 operating budget as presented.

Yes: All

No: None

Motion Carried

6. Motion by Councilor Warstler and supported by Councilor McKenzie to approve the Portage Lake Water & Sewer Authority amended budget for July 1, 2023 to June 30, 2024 as presented.

Yes: All

No: None

Motion Carried

7. Motion by Councilor McKenzie and supported by Councilor Warstler to approve the Portage Lake Water & Sewer Authority July 1, 2024 to June 30, 2025 operating budget as presented.

Yes: All

No: None

Motion Carried

8. Motion by Councilor McKenzie and supported by Councilor Tanner to approve MJO Contracting's 2022 Sewer Improvements payment application #3 in the amount of \$146,300.21.

Roll Call

Yes: Warstler, Lounibos, Tanner, Rickard, Freeman, McKenzie

No: None

Motion Carried

9. Motion by Councilor McKenzie and supported by Councilor Warstler to approve Resolution #24-15 to review and update the City of Hancock Fee and Rate Schedules.

Yes: All

No: None

Motion Carried

10. Motion by Councilor McKenzie and supported by Councilor Warstler to approve Resolution #24-16 to adopt the 2024 – 2025 budget and approve the millage rates of 13.1707 General Fund, .7942 Fire Department, .7942 Police Millage, .7942 Recreation Millage.

Yes: All

No: None

Motion Carried

11. Motion by Councilor McKenzie and supported by Councilor Lounibos to approve the FY 2023-2024 amended budget as presented.

Roll Call

Yes: Warstler, Lounibos, Tanner, Rickard, Freeman, McKenzie

No: None

Motion Carried

12. Motion by Councilor Tanner and supported by Councilor Warstler to approve Resolution #24-17 authorizing issuance of notes in anticipation of operating taxes-next succeeding fiscal year in the amount of \$400,000.

Roll Call

Yes: McKenzie, Freeman, Rickard, Tanner, Lounibos, Warstler

No: None

Motion Carried

13. Motion by Councilor McKenzie and supported by Councilor Warstler to approve OHM's proposal for professional services for the 2025 Small Urban Elevation Street – Ingot Street to Fir Street project in the amount of \$ 69,000.

Roll Call

Yes: Warstler, Lounibos, Tanner, Rickard, Freeman, McKenzie

No: None

Motion Carried

14. Motion by Councilor McKenzie and supported by Councilor Freeman to approve discontinuing the use of ZOOM for City Council meetings.

Roll Call

Yes: McKenzie, Freeman, Rickard, Tanner, Lounibos

No: Warstler

Motion Carried

15. Motion by Councilor McKenzie and supported by Councilor Tanner to approve providing a Notice of Award to B&B Contracting, Calumet, Inc. for the work to be completed on the Minnesota Street Category B Grant in the amount of \$784,364.00.

Roll Call

Yes: Warstler, Lounibos, Tanner, Rickard, Freeman, McKenzie

No: None

Motion Carried

16. Motion by Councilor McKenzie and supported by Councilor Lounibos to approve scheduling a joint DDA, City Council and Planning Commission meeting for Monday, September 9, 2024 at 6:00 p.m.

Yes: All

No: None

Motion Carried

17. Motion by Councilor Warstler and supported by Councilor Tanner to enter into Closed Session at 6:55 P.M.

Yes: All

No: None

Motion Carried

Return to Open Session at 7:20 P.M.

18. Motion by Councilor Warstler and supported by Councilor McKenzie to approve the City Manager's overall average reviewing rating of 4.6 out of 5.0 and approve the City Manger's contract as recommended.

Roll Call

Yes: McKenzie, Freeman, Rickard, Tanner, Lounibos, Warstler

No: None

Motion Carried

**Public Comment**


- John Zucher, Summit Street, commented on road paving.
- Annette Tchida is looking for a resolution to the erosion on the city right-of-way which they use to access the property at 1420 Jasberg. Who is responsible for repair costs?
- Brad Aldrich commented on the water drainage issues.
- Tony Monticello commented on various code enforcement issues around the city and provided pictures.

Motion by Councilor Warstler and supported by Councilor Freeman to adjourn the meeting at 7:45 P.M.

Yes: All

No: None

Motion Carried



Linda Kalinec, Clerk/Treasurer

CITY OF HANCOCK

RESOLUTION #24-15

UPDATE VARIOUS CITY FEE & RATE SCHEDULES

WHEREAS, it is necessary for the City of Hancock to update miscellaneous fee & rate schedules to cover costs associated with offering the services to the city residents as well as the general public

NOW, THEREFORE, be it resolved, that the City of Hancock adopts the following fees:

Miscellaneous Copies

Zoning Ordinance	\$ 25.00
City Charter	\$ 10.00
Incident Report	\$ 11.00
Master Plan	\$ 15.00
Tax Roll	\$300.00

Permits

ZBA Review	\$ 75.00
Fence Permit	\$ 10.00
Sign Permit	\$ 40.00


Truck Rentals

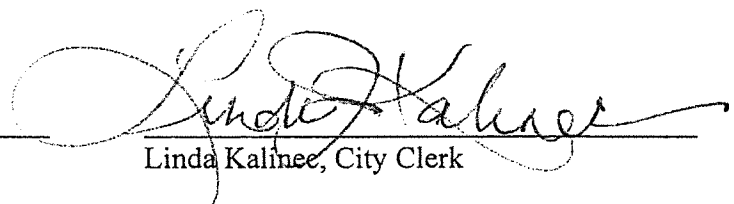
Tandem Dump Truck	\$300.00 Up to 2 tons
Add'l Charge over 2 tons	Billed at Current Per Ton Rate

Fee Schedule is effective on June 30, 2024.

Motion offered at a regular meeting of the Hancock City Council on Wednesday, June 19, 2024, by Councilor McKenzie and seconded by Councilor Warstler.

Yes: All  
No:None  
Motion Carried

  
Kurt Rickard, Mayor

  
Linda Kalinec, City Clerk

**BUDGET ADOPTION RESOLUTION #24-16**  
City of Hancock Financial Plan – General Appropriations Act  
2024-2025  
Adopted 06/19/2024

Pursuant to the laws of the State of Michigan governing Home Rule Cities, the State Uniform Budget and Accounting Act, and the City Charter, the following Budget Resolution for Fiscal Year July 1, 2024 to June 30, 2025, is hereby submitted for adoption;

**WHEREAS**, it has been determined that the attached (revenues) Property Taxes, State Shared Revenues, Rates, Charges and Transfers shall be available and necessary for the 2024-2025 Budget Year, and

**FURTHERMORE**, it is ordered that the attached level of expenditures is approved for each of the below Activities and Funds;

It is further ordered that the City Council approve the required millage rate of 13.1707 for the General Fund and .7942 for the Fire Department and .7942 for Recreational improvements and for Police Department for the Fiscal Year July 1, 2024 to June 30, 2025 for a total levy of 15.5533.

It is further ordered that upon setting the City Tax Rate, the City Treasurer shall proceed to collect the sums ordered in accordance with the City Charter and the Laws of the State of Michigan.

Further, it is ordered that the City Manager shall be designated the Chief Financial Officer of the City of Hancock in accordance with the State Uniform Budget and Accounting Act and shall implement this Financial Plan as adopted or amended in accordance with generally accepted accounting principles and the State Budget Act.

The above Resolution was offered by Councilor McKenzie and supported by Councilor Warstler to adopt the Budget Resolution presented above for Fiscal Year July 1, 2024 to June 30, 2025.

Roll Call

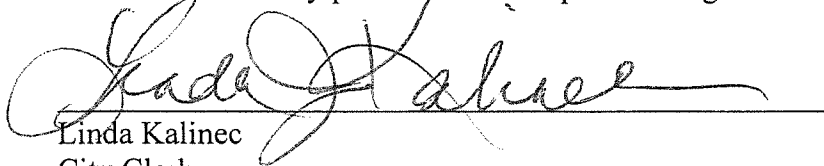
Yes: McKenzie, Freeman, Rickard, Tanner, Lounibos, Warstler

No: None

Absent: Blau

Motion Carried

I, Linda Kalinec, City Clerk do hereby certify that the above General Appropriations Act/Budget Resolution was duly presented and adopted at a regular meeting of the City Council held June 19, 2024.

  
\_\_\_\_\_  
Linda Kalinec  
City Clerk



**RESOLUTION AUTHORIZING ISSUANCE OF NOTES  
IN ANTICIPATION OF OPERATING TAXES-  
NEXT SUCCEEDING FISCAL YEAR**

**CITY OF HANCOCK  
COUNTY OF HOUGHTON, MICHIGAN**

Minutes of a regular meeting of the City Council of the City of Hancock, County of Houghton, Michigan (the "City"), held on the 19th day of June, 2024, at 6:00 o'clock p.m., Eastern Daylight Time.

PRESENT: Members: McKenzie, Freeman, Rickard, Tanner, Lounibos, Warstler

ABSENT: Members: Blau

The following preamble and resolution were offered by Member Tanner and supported by Member Warstler:

WHEREAS, it is hereby determined that it is necessary to borrow the sum of not to exceed Four Hundred Thousand Dollars (\$400,000), in anticipation of the collection of the unpaid operating taxes for the next succeeding fiscal year of the City beginning July 1, 2024 (the "Operating Taxes"), which Operating Taxes are first due and payable on July 1, 2024, for the purpose of obtaining funds to meet operating expenses of the City; and

WHEREAS, Act No. 34 of the Public Acts of 2001, as amended ("Act 34"), authorizes the borrowing of money through the issuance of general obligation notes in anticipation of the collection of the unpaid Operating Taxes for the next succeeding fiscal year in an amount not to exceed fifty percent (50%) of the operating tax levy for the current fiscal year when the Operating Taxes for the next fiscal year are not as yet known; and

WHEREAS, the amount included for Operating Taxes in the budget for the fiscal year ending June 30, 2024 was \$1,617,069; and

WHEREAS, the City has received an offer from The Miners State Bank (the “Purchaser”) to purchase the general obligation notes.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Notes. The City borrow for the above purpose the principal amount of Four Hundred Thousand Dollars (\$400,000) and issue its Tax Anticipation Note, Series 2024 (Limited Tax General Obligation) (the “Notes”) in anticipation of the collection of the Operating Taxes for the fiscal year beginning July 1, 2024.

2. Note Terms. The Notes shall bear interest at the rate of 5.96% per annum, be dated as of the date of delivery, and be due and payable December 27, 2024, which is the estimated time of collection of a sufficient amount of the Operating Taxes for the fiscal year beginning July 1, 2024, to pay the Notes in full. The Notes shall be payable in lawful money of the United States of America by the Treasurer of the City, who is hereby appointed to act as the note registrar, paying agent and transfer agent for the Notes (the “Transfer Agent”).

3. Set Aside of Tax Collections. Hereafter from the first collections of the Operating Taxes for the fiscal year beginning July 1, 2024, there shall be set aside in a separate depository account (the “Note Repayment Fund” or the “Fund”) a portion of each dollar which is not less than 125% of the percentage that the principal amount of the Notes bears to the amount of the Operating Taxes, to be used for the payment of the principal of and interest on the Notes and any other notes hereafter issued in anticipation of said taxes, and until the amount so set aside shall be sufficient for such payments, collections of the Operating Taxes shall be used for no other purpose. The right is reserved to issue additional notes of equal standing as to the Operating

Taxes pledged for payment of the Notes with the Notes authorized by this resolution, subject to the limitations fixed by law.

4. Limited Tax Pledge. The full faith and credit of the City is hereby irrevocably pledged for payment of principal of and interest on the Notes and in case of the insufficiency of the Operating Taxes pledged for the payment thereof, the City shall pay the Notes from any funds legally available therefor, and, if necessary, within applicable constitutional, charter and statutory limitations, levy sufficient taxes on all taxable property in the City for the payment thereof.

5. Execution of Notes. The Mayor and City Clerk of the City shall execute the Notes on behalf of the City, and the City's seal or a facsimile thereof shall be imprinted or printed thereon, and the executed notes shall be delivered to the City Manager of the City who shall deliver the Notes to the purchaser thereof upon the receipt of the purchase price therefor. Printed notes may be executed with facsimile signatures of the foregoing officers, in which case the Notes shall not be valid unless authenticated by the Transfer Agent.

6. Negotiated Sale; Acceptance of Purchaser's Offer. The City Council hereby declares that it has pursued a negotiated sale of the Notes because of the flexibility provided in adjusting the timing of the sale of the Notes and the terms of the Notes at the time of sale. The offer of the Purchaser to purchase the Notes at a price of 100%, with an interest rate of 5.96% per annum, and maturity six months from the date of issue is hereby accepted and approved.

7. Qualified Tax Exempt Obligations. The City Council hereby designates the Notes to be “qualified tax exempt obligations” within the meaning of the Internal Revenue Code of 1986, as amended (the “Code”).

8. Tax Covenant. The City hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest on the Notes from adjusted gross income for general federal income tax purposes under the Code, including, but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of note proceeds and moneys deemed to be note proceeds.

9. Authorization of Other Actions. The Mayor, City Manager, and City Clerk/Treasurer are each authorized to file any and all applications with the Michigan Department of Treasury so as to seek approval for the Notes and to file such other documents as may be required to secure such approval, including any necessary waivers.


10. Note Counsel. The representation of the City by Miller, Canfield, Paddock and Stone, P.L.C. as note counsel is hereby approved.

11. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same hereby are rescinded.

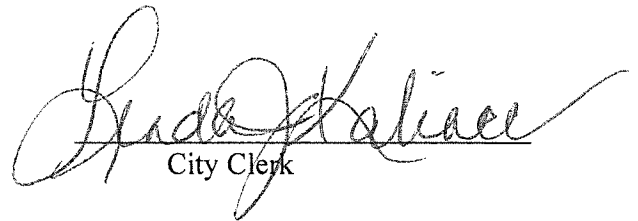
AYES:           Members:     McKenzie, Freeman, Rickard, Tanner, Lounibos, Warstler

NAYS:           Members:     None

RESOLUTION DECLARED ADOPTED:

  
\_\_\_\_\_  
City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Hancock, County of Houghton, State of Michigan, at a regular meeting held on June 19, 2024, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

  
City Clerk

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